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Turkey

Oilseeds and Products Update

November 2013 Soybean Update

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Report Highlights:

Marketing Year (MY) 2013 Turkish soybean area and production are about 30,000 hectares and 110,000 metric tons (MT). During MY 2012 growth in Turkey's poultry and livestock production increased demand for imported soybean and meal. Total imports of soybeans during the marketing year reached 1.25 million metric tons (MMT) and the U.S. was the leading supplier with 487,000 MT. Turkey also imported about 1 MMT of soy meal and the U.S. supplied 317,000 MT. The GSM-102 credit guarantee program has helped U.S. exports to Turkey. Total registration for both products reached US\$ 283 million during the first eleven months of the financial year of which US\$ 160 million were for soybeans and the rest, US\$ 123 million, were for soybean meal.

Post:

Ankara

Soybean**Soybean PSD**

Oilseed, Soybean Turkey	2011/2012		2012/2013		2013/2014	
	Market Year Begin: Sep 2011		Market Year Begin: Sep 2012		Market Year Begin: May 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	12	12	20	20	30	30
Area Harvested	12	12	20	20	30	30
Beginning Stocks	644	361	401	185	486	200
Production	50	50	70	70	110	110
MY Imports	1,057	1,057	1,249	1,249	1,200	1,200
MY Imp. from U.S.	546	509	500	503	500	500
MY Imp. from EU	0	0	0	0	0	0
Total Supply	1,751	1,468	1,720	1,504	1,796	1,510
MY Exports	0	3	0	21	0	15
MY Exp. to EU	0	0	0	0	0	0
Crush	320	380	335	380	370	390
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	1,030	900	899	903	950	915
Total Dom. Cons.	1,350	1,280	1,234	1,283	1,320	1,305
Ending Stocks	401	185	486	200	476	190
Total Distribution	1,751	1,468	1,720	1,504	1,796	1,510
CY Imports	1,195	1,195	1,175	1,300	1,100	1,150
CY Imp. from U.S.	663	663	415	650	415	450
CY Exports	0	13	0	15	0	17
CY Exp. to U.S.	0	1	0	4	0	5

Production

MY2013 domestic soy bean planting and production are about 30,000 hectares and 110,000 MT.

Weather conditions adversely affected yields in the Cukurova region where ninety-five percent of the local soy crop is grown.

Consumption

Both domestic broiler and egg industries had a good year during MY 2012 while domestic and export demand was overall strong. However, high soy bean and meal prices affected production costs adversely. Turkey's egg industry is enjoying high exports and increasing local demand. The broiler industry, however, has been showing signs of slowing down since the last quarter of the marketing year

due to negative press on genetically engineered poultry feed. Lower domestic consumption was barely made up for with increased exports. Seasonal events also played a role in the decline, such as fasting during the month of Ramadan in summer, the beginning of the sea food season in September, and the Hajj Bayram in October which increases red meat consumption. Hence, the broiler industry is slowing down production until local demand recovers in the coming months. Turkey's Middle Eastern neighbors are the leading export markets for Turkish broiler meat and eggs.

Trade

Total soybean imports during the MY 2012 were 1,249,000 MT. United States (502,000 MT) and Paraguay (355,000 MT) were the leading suppliers, followed by Ukraine (143,000 MT), Argentina (126,000 MT) and Brazil (92,000 MT). A significant drop in soybean prices in August 2013 made soy imports attractive for the industry. Imports during the first month of MY 2013 were 60,454 MT; all from South American sources. Accordingly, imports from Brazil were 20,000 MT, Argentina 16,000 MT, Paraguay 16,000 MT and Uruguay 8,000 MT.

Turkey also exported about 21,000 MT of soybeans during MY 2012. The main destinations were Slovenia (7,000 MT), Georgia (5,651 MT) and United States (4,800 MT).

The GSM-102 export credit guarantee program for FY 2013 helped U.S. soybean and meal exports to Turkey. The total registration for both products reached US\$ 342 million during first eleven months of the fiscal year of which US\$ 182 million were for soybeans and the rest, US\$ 160 million, were for soybean meal.

Soybean meal PSD

Meal, Soybean Turkey	2011/2012		2012/2013		2013/2014	
	Market Year Begin: Oct 2011		Market Year Begin: Oct 2012		Market Year Begin: Oct 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	320	380	335	380	370	390
Extr. Rate, 999.9999	1.	0.763 2	1.	0.763 2	1.	0.769 2
Beginning Stocks	196	196	368	300	368	313
Production	253	290	264	290	292	300
MY Imports	917	915	1,030	1,015	1,000	900
MY Imp. from U.S.	181	181	317	317	150	300
MY Imp. from EU	440	437	0	237	0	250
Total Supply	1,366	1,401	1,662	1,605	1,660	1,513
MY Exports	9	10	12	12	8	15
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	989	1,091	1,282	1,280	1,378	1,210
Total Dom. Cons.	989	1,091	1,282	1,280	1,378	1,210
Ending Stocks	368	300	368	313	274	288
Total Distribution	1,366	1,401	1,662	1,605	1,660	1,513
CY Imports	1,022	1,002	900	1,000	750	1,050
CY Imp. from U.S.	168	168	150	400	150	410
CY Exports	10	10	8	12	8	14
CY Exp. to U.S.	0	0	0	0	0	0
SME	989	1,091	1,282	1,280	1,378	1,210

Soybean meal

Domestic production of soy meal remained stable at about 290,000 MT. Domestic crush was limited to the oil that the poultry industry can consume in feed, and also to limited exports. Consumption of soy meal, however, increased to 1.2MMT as it provided a cost advantage over the provision of full-fat soybeans.

Total Turkish imports of soy meal during the MY 2012 reached 1,015,000 MT (an import record), due to low margins in domestic crushing caused by the regulations that forbid GMO soy oil in food. The U.S. and Argentina were among the leading suppliers with 317,000 MT and 302,000 MT, respectively.

Turkey continued to import EU-sourced soy meal, a total of 237,000 MT as well, due to cost advantages from lower shipping cost and smaller cargos. Also, soy meal imports from EU sources are subject to zero import taxes versus 5 percent from other sources. Spain (142,000 MT) and Germany (77,000 MT) were the main sources for EU soy meal.

Turkey exported about 12,000 MT of soy meal during the marketing year. Northern Cyprus and Iraq

were the main destinations with 9,000 MT and 2,200 MT respectively.

Soybean Oil

Soybean oil PSD

Oil, Soybean Turkey	2011/2012		2012/2013		2013/2014	
	Market Year Begin: Oct 2011		Market Year Begin: Oct 2012		Market Year Begin: Oct 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	320	380	335	380	370	390
Extr. Rate, 999.9999	0.	0.1921	0.	0.1921	0.	0.1923
Beginning Stocks	4	15	0	10	0	6
Production	57	73	60	73	66	75
MY Imports	1	1	3	3	0	5
MY Imports from U.S.	0	1	0	0	0	0
MY Imports from EU	1	0	0	2	0	2
Total Supply	62	89	63	86	66	86
MY Exports	4	4	10	10	3	12
MY Exports to EU	0	0	0	0	0	0
Industrial Dom. Consumption	23	15	22	10	28	10
Food Use Dom. Consumption	20	5	16	5	20	5
Feed Waste Dom. Consumption	15	55	15	55	15	55
-	0		0		0	
Total Dom. Consumption	58	75	53	70	63	70
Ending Stocks	0	10	0	6	0	4
Total Distribution	62	89	63	86	66	86
CY Imports	0	1	0	3	0	3
CY Imports from U.S.	0	1	0	0	0	0
CY Exports	3	3	3	9	3	12
CY Exports to U.S.	0	0	0	0	0	0

Domestic production of soy oil remained stable at around 73,000 MT. Turkey imported only about 3,000 MT and exported about 10,000 MT of soy oil during MY 2012. Northern Cyprus (2,300 MT), Iraq (1,800 MT), and Sudan (1,300 MT) were the main export destinations.